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New Performance Measures for the Bureau of Land Management

U. S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

December 1992

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Table of Contents

I. Executive Summary iii

II. Scope of Report 1
- Introduction 1
- Contents 1

III. Existing Processes and Systems 2
- Findings 2
- Recommendations for Existing Systems 5

IV. New Performance Measures 6
- Criteria 6
- Categories and Goals 9
  - One – Service and Support 9
  - Two – Environmental Quality 9
  - Three – Economic Benefits 10
  - Four – Social & Cultural Benefits 10
  - Five – Special Resource Protection and Management 11
  - Six – Education 12

V Impacts of Changes 13
- Field Operations 13
- Effectiveness and Efficiency 16
- Integrated Resource Projects/Ecosystem Management 16
- Performance Measures as Links 18
  - Planning 18
  - Budgeting 18
  - Program Implementation 18
  - Evaluations 19

VI Recommendations 21
- Immediate Action 21
- Subsequent Action 21

Appendix 1 Colorado Test 22
Appendix 2 Sample of Data Collection Form 27

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NEW PERFORMANCE MEASURES FOR THE BUREAU OF LAND MANAGEMENT DECEMBER 1992

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BACKGROUND: In the Fall of 1992, the Bureau of Land Management (BLM) undertook an analysis of nine business processes to determine if they could be performed more effectively. Teams were organized for this task. One team was asked to review the processes and measures by which BLM measures performance. The charge to all teams was to think about BLM's needs for the next 10 to 15 years, be innovative, and not be constrained by current practices.

I. EXECUTIVE SUMMARY

The objective of the Performance Measure Team was to briefly review the current, costly program and administrative systems which produce units of work as output measures; make some recommendations for improving the systems and to develop a concept for a new performance measurement system which meets the following criteria:

- Provides a modern, efficient and effective method of measuring and reporting performance in a format that more clearly communicates the present and future needs of our internal and external customers.

- Enhances BLM's image as a customer oriented Resource Management Agency by reflecting, locally, regionally, and nationally, the value added, multi-benefits produced, over time, through integrated resource management projects.

- Provides an effective linkage with BLM's internal budgetary process and external fiscal requirement such as the Chief Financial Officers Act (CFOA).

- Provides managers with a user-friendly system that relates directly to BLM's evolving involvement and emphasis with eco-systems management, social, cultural, and economic concerns and will readily enhance and interface with changes in the planning, budget, program leader and evaluation roles.

The team concluded, after review of the existing systems, that they should not totally be discarded but that there is ample opportunity for efficiencies through more effective use of existing automation systems, screening of data collected, improved marketing and packaging of data at all levels and focusing these systems on end-user needs, not staff needs at high organizational levels. The team also recommended strengthening the scientific/technical systems to aid end users dealing with major issues.

The team recommends establishment of six (6) new broad performance categories:

1. Service and Support

2. Environmental Quality

3. Economic/Benefits

4. Social/Cultural Benefits

5. Resource Protection and Management

6. Education

Under each category the team developed general objectives and a list of specific goals to be used in developing performance measures.

The categories, objectives, goals, and performance measures may be utilized during the planning process, the budget process and tracked through implementation and into evaluation.

The concept model was successfully tested by our team on a number of projects including an actual fishery habitat improvement project in Arizona. It was also tested on a recreational trail and coal lease development in Colorado by an inter-disciplinary team from the Colorado State Office.

The performance measure approach would be useful in meeting the requirements of the CFOA, which goes beyond program outputs and attempts to measure performance measure outcomes and efficiency and effectiveness in use of financial resources.

The process, after some adjustments in thinking and focus, proved to be relatively easy to use. It meets the identified criteria for multi-year tracking of investments and outputs on large multi-program, inter-disciplinary projects; provides value added customer oriented performance measures and by amortizing the benefits and costs over time enables management, the public and Congress to easily determine BLM's performance.

II. SCOPE OF REPORT

Introduction:

Would a new, agreed upon, meaningful, institutionalized set of performance measures be very important to BLM? Such measures, for example, would define BLM's management intentions in a clear manner to its wide variety of external customers. People and organizations that interact with BLM are entitled to a clear, simple explanation of what categories of performance BLM feels are important and how BLM intends to measure its own effectiveness. Therefore, BLM's performance measures should reflect the needs of its customers; different customers will, of course, be interested in different categories and measures.

Also, BLM must articulate its performance measures internally, so managers and staff have a clear sense of how to establish goals, set priorities, conduct work and know how success will be measured and evaluated.

In the past, and currently, a high level of emphasis was placed on developing and maintaining program and administrative units of measure. Over the years, sophisticated manual and automated processes and reporting systems, involving all levels of the organization, have been developed to support administrative and program data. This is very costly to the Bureau in time, energy and funds. Developing and focusing on a clear, simple set of performance measures could lead to simplifying existing systems, making them more efficient and freeing up funds and people for much needed work implementation.

Additionally, a high-level set of performance categories and measures, consistently applied, could be the common thread that ties together BLM's planning, budgeting, program implementation, and evaluation processes and systems on a multi-program basis rather than the current single program-by-program approach.

BLM's performance measures should be modern, futuristic, and reflect evolving ideas, paradigms and public values. For example, BLM has already made a significant shift toward the concept of ecosystem management, which has a high degree of scientific and public support; appropriate performance measures can help BLM put this concept into practice, using an interdisciplinary approach to integrated resource projects on specific geographic areas.

Developing performance categories and measures which are easily understood, consistent with customers' expectations, which guide internal actions, simplify existing expensive systems, and reflect modern thinking is worthwhile and is the focus of this report.

CONTENTS: This report will cover the following:

- A review of existing systems that measure BLM activities, focusing on concerns about these systems and recommendations to improve them.
- Discussion of a new concept of performance measurement, with specific categories of performance, objectives and goals for each category, and examples of measurement units.
- Recommendations for implementing new performance measures.

Figure 1 depicts the concepts related to the existing and new systems.

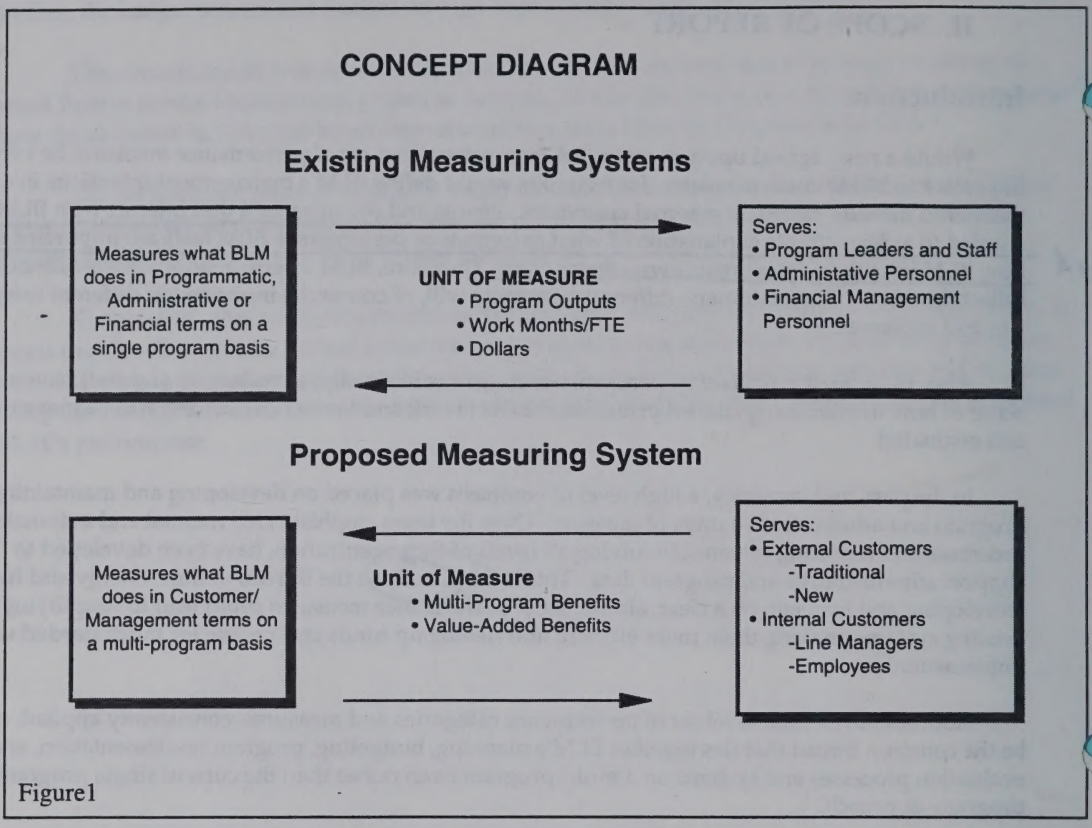


Figure1

III. EXISTING PROCESSES/SYSTEMS

Findings:

In developing this report, there was not time to review in detail each of the many individual program or financial/budget reporting systems. However, there are a number of observations about these systems that may be significant in terms of the charge given the team to look at ways for the Bureau to do things more efficiently. Our team did conclude that for the most part, existing reporting systems do not report performance in terms that are consistent with expectations of the Bureau's external customers, or in terms that are realistic for the on-the-ground manager's needs for multi-program projects on specific geographic areas or ecosystems.

This report does not contend that existing systems should be totally discarded. Given today's budget structure, the way the Bureau is organized by program at each organizational level, and the way each organizational level is totally immersed in the budget and financial management processes, it is unrealistic to think all this can be summarily put aside. This report does suggest that over the years, the program and financial/budget processes and reporting systems have grown to great size, and require very large amounts of funds, time and energy to maintain. There are, for example, over 100 subactivity codes (35 major program-related codes); each subactivity has from one to 20 program elements, and in some instances, opportunities to create individual projects, all of which capture cost information. In addition to the financial/budget systems which capture costs, individual programs

have developed complex, manual and automated systems to monitor and report on program work. For example, some typical workload measures are: Number of Acres, Amendments Completed, Number Completed, Number Processed, Number Reviewed, Number Monitored, Number Sites, and so on. The reporting units from all these existing systems are workload measures and not "performance measures" as identified and recommended in this report.

There is no doubt that existing systems are costly. A recent Office of Inspector General (OIG) report estimated that at the State Office level 50 percent of personnel resources were used for general administrative and program oversight activities – and at the District level 56 percent. Only at the Resource Area Office level are the majority of personnel resources (85%) committed to program implementation. This report also pointed out that although the Resource Areas accounted for two-thirds of the Bureau's field offices, they only had about one-third of the available personnel resources. Overall, the OIG contends that of the Bureau's $446 million budget in the Management of Lands and Resources appropriation, about $188 million was spent on general administrative support and program oversight activities.

In interviews with over 330 program leaders at state and district offices, the OIG found that 75 percent of their time was spent on preparing and tracking the budget, coordinating programs, and reviewing and disseminating directives. Even though program leaders are supposed to provide technical support, many of them find little time to do so. According to the OIG, one state office program leader, who is also a petroleum engineer, stated he monitors district budgets and expenditures, tracks and counts accomplishments of the districts, and prepares state office budget submissions, but does little or no operational work.

Although one can argue with the definitions used by the OIG, it is clear that much of the Bureau's personnel and funds are tied up in running processes and systems that are not adding value to the actions and projects that go directly toward managing natural resources. In this report, we assert that existing program and financial/budget systems should be reduced and simplified, and that any remaining systems that are non-value added be kept to the minimum required by law.

The following graphic (Figure 2) depicts generally the data flow in the existing programmatic and finance/budget information and reporting systems. It shows there are multiple requests for information and reports, made continuously in time, downward throughout the entire organization. It also depicts the massive amounts of data that must be searched for, validated, consolidated, and sent upward throughout the entire organization continuously in time.

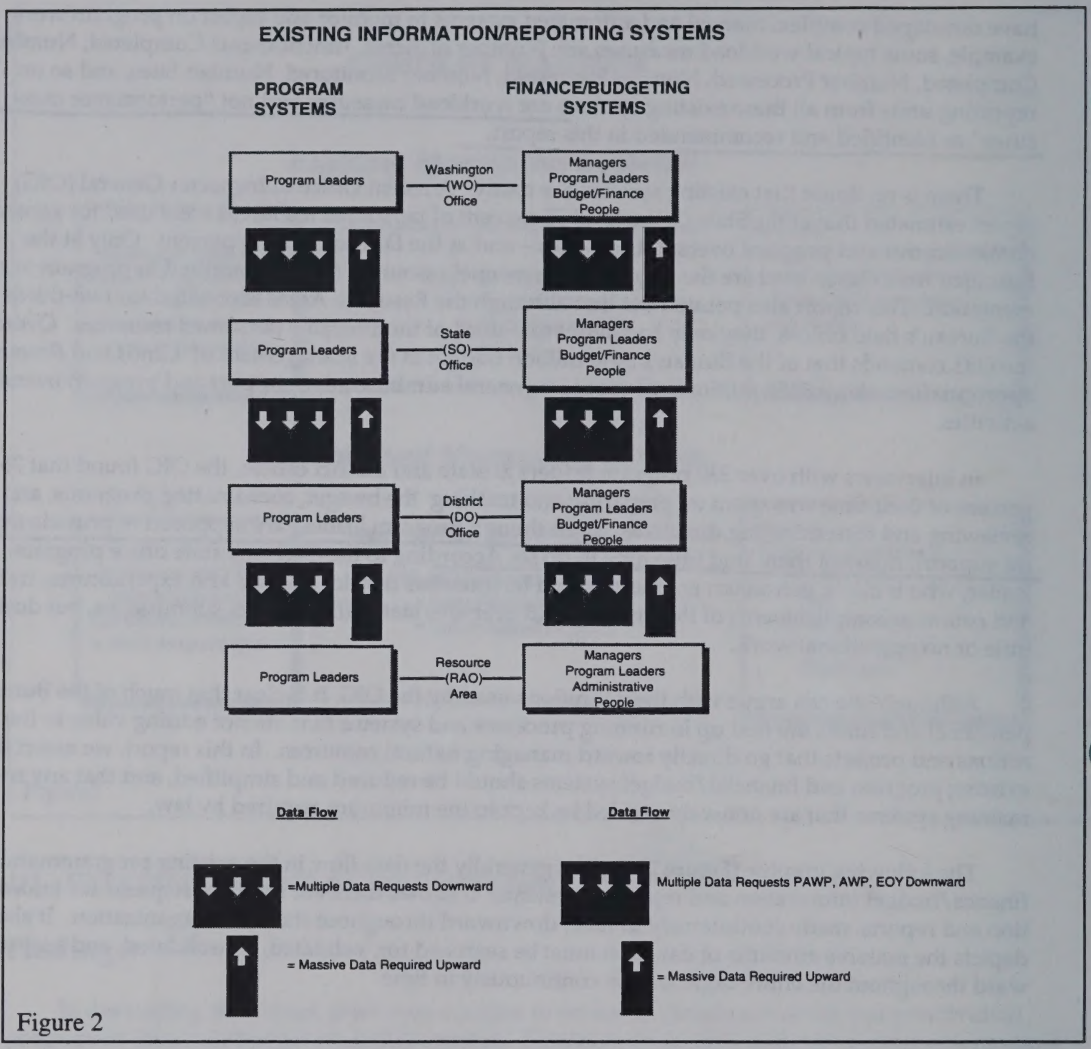
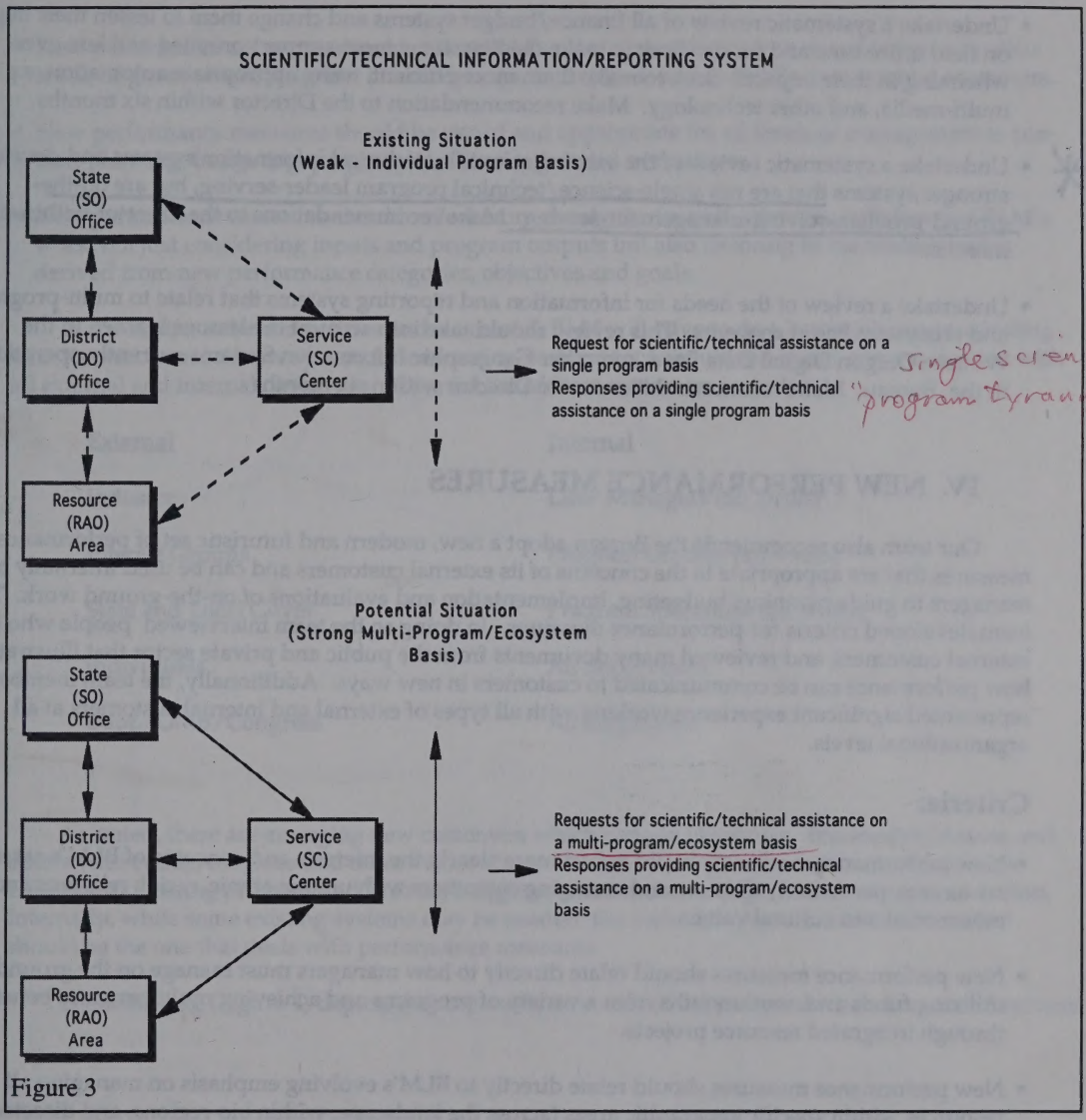


Figure 2

There is one information/reporting system that is currently very weak in the Bureau, and which, we recommend, must become strong and active if the agency is to meet the needs of the future. BLM people at the ground level are going to need good, timely scientific and technical information to deal with natural resource management problems. One good example is the scientific issues related to the spotted owl and its habitat in the Northwest. The Bureau should provide scientific and technical information related to specific on-the-ground problems. However, the Bureau's scientific and technical people should provide service and support on request by and report to management to avoid single-science or program tyranny in the future. The following (Figure 3) depicts the weak, single-program oriented existing situation and the potential for a strong, multi-program/ecosystem based system in the future:


SCIENTIFIC/TECHNICAL INFORMATION/REPORTING SYSTEM
Existing Situation
(Weak - Individual Program Basis)
State (SO) Office
District (DO) Office
Service (SC) Center
Resource (RAO) Area
Request for scientific/technical assistance on a single program basis
Responses providing scientific/technical assistance on a single program basis
single science "program tyranny"
Potential Situation
(Strong Multi-Program/Ecosystem Basis)
State (SO) Office
District (DO) Office
Service (SC) Center
Resource (RAO) Area
Requests for scientific/technical assistance on a multi-program/ecosystem basis
Responses providing scientific/technical assistance on a multi-program/ecosystem basis
Figure 3

Recommendations for Existing Systems:

- Diligently pursue Information Bulletin No. 93-28, Subject: "Eliminating Unnecessary or Redundant Reports." The burden of proof of whether reports are necessary should be based on their requirement by law. Any assertion that a report is required to "run the program" should be dismissed pending full justification and managerial concurrence.

- Undertake a systematic review of all programmatic information and reporting systems and simplify them to their value-added characteristics. That is, determine if they contribute directly to BLM producing goods and services on the ground. Develop a schedule for reviewing all these systems, and perform a prototype on one system within three months.

- Undertake a systematic review of all finance/budget systems and change them to lessen their impact on field office time and funds. Seek to make these systems more support-oriented and less overwhelming in their impacts. Seek to make them more efficient, using appropriate automation, e.g. multi-media, and other technology. Make recommendation to the Director within six months.

- Undertake a systematic review of the existing scientific/technical information systems and develop stronger systems that are not single-science/technical program leader-serving, but are on-the-ground-problem-solving-management-serving. Make recommendations to the Director within six months.

- Undertake a review of the needs for information and reporting systems that relate to multi-program and ecosystem based concepts. This review should take into account the lessons learned in the Western Oregon Digital Data Base and other Geographic Information Systems currently operational in the Bureau. Make recommendation to the Director within six months

IV. NEW PERFORMANCE MEASURES

Our team also recommends the Bureau adopt a new, modern and futuristic set of performance measures that are appropriate to the concerns of its external customers and can be used internally by managers to guide planning, budgeting, implementation and evaluations of on-the-ground work. The team developed criteria for performance measures. In doing so the team interviewed people who are external customers, and reviewed many documents from the public and private sector that illustrate how performance can be communicated to customers in new ways. Additionally, the team members represented significant experience working with all types of external and internal customers at all organizational levels.

Criteria:

- New performance measures should reflect more clearly the interests and concerns of BLM's external customers, particularly the new and emerging customers with unique ethnic, racial, religious and other social and cultural values.

- New performance measures should relate directly to how managers must manage on the ground by utilizing funds and workmonths from a variety of programs and achieving multi-program benefits through integrated resource projects.

- New performance measures should relate directly to BLM's evolving emphasis on managing all resources within specific geographic areas (across the landscape, within bio-regions, and directed at specific ecosystems).

- New performance measures should reflect BLM's ability to contribute to the economic well-being of industries, workers, rural and urban communities, inner cities, economically disadvantaged people, and to aid in economic recovery at the local, regional and national levels.

- New performance measures should relate to public concerns and interest in the quality of the air and water and for helping to achieve and maintain a rich biota.

- New performance measures should reflect BLM's mandates to protect resources with unique or special values and to take remedial action against all resources under serious and significant threats.

- New performance measures should reflect BLM's role in providing services and support to other levels of government, industry, interest groups, individuals and to BLM's own internal customers.

- New performance measures should be useful and appropriate for all levels of management to conduct planning, budgeting, program implementation and evaluations.

- New performance measures should reflect more clearly the true effectiveness/efficiency of BLM's work, not just considering inputs and program outputs but also factoring in the multi-benefits derived from new performance categories, objectives and goals.

In the future, to be competitive and successful, BLM will have to do a better job communicating with its customers. A new system for measuring performance should aid in our communication with all external and internal customers. A partial list of these customers includes:

External	Internal
Industry	Line Managers (all levels)
Interest Groups	Program Leaders (all levels)
State and Local Govts.	Program Specialists (all levels)
Individuals	All Supervisors
Dept./OMB/Congress	All Employees

As stated, there are emerging new customers which include Hispanics, Indonesian/Asians and others with ethnic, religious and other values about which BLM must learn to communicate more effectively. Existing program and finance/budget systems are not adequate for this communication. Internally, while some existing systems may be needed, the main driving communication system should be the one that deals with performance measures.

The following (Figure 4) depicts the communication role of the performance measurement system:

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Performance Communications

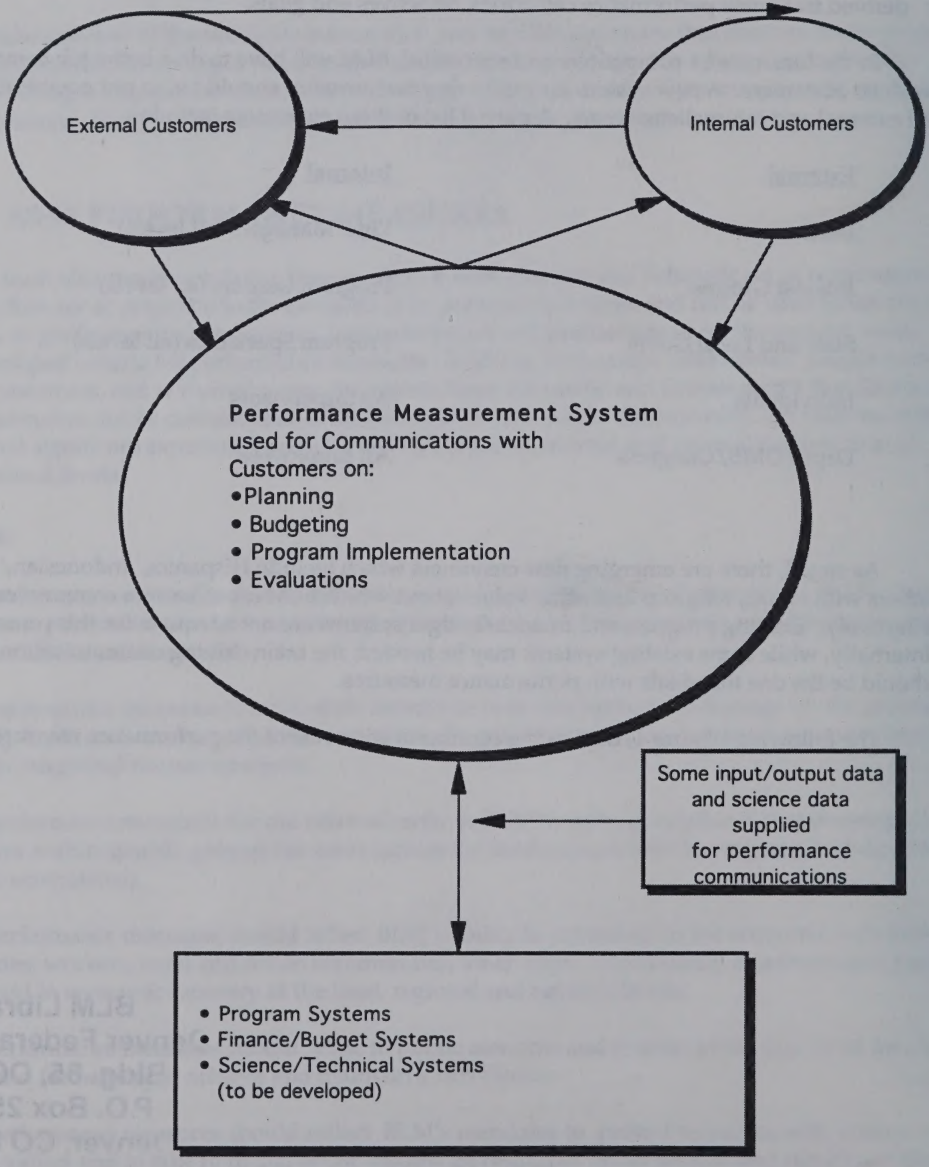


Figure 4

New Performance Measurement Categories, Objectives and Goals:

Following the criteria above, the team, through a series of efforts, arrived at a set of performance categories, objectives and goals. There was some debate about combining some categories into a smaller list. The team believes this is about the smallest number of categories that separates the work BLM does in a manner that is of interest and concern to external and internal customers. The categories, objectives and goals are open to recommendations by the Bureau Management Team. The team also believes that this concept is not foreign to the way BLM's progressive managers now think about their work. A new standard set of non-programmatic performance measures would go a long way toward improving communication about performance Bureau-wide.

PERFORMANCE CATEGORY ONE:

SERVICE AND SUPPORT

OBJECTIVE A: Meet both external and internal customer's needs for support and services timely and accurately, and at the lowest cost to the customer and BLM, and do so in a friendly and professional manner.

Goals:

- All public contact, including the Public Room, will be conducted in a professional and friendly manner.
- BLM will provide lands and minerals records that are accurate and timely.
- Billings/collections/and payments will be made timely and accurately.
- BLM will provide survey information that is timely and accurate.
- Internally BLM will provide administrative services and support: contracting, personnel actions, automation support, training support, etc., in a timely, professional and friendly manner.

OBJECTIVE B: Maintain official records in an acceptable condition.

Goals:

- BLM will restore records in a timely manner.
- BLM will transfer records to modern media in an appropriate and timely manner.
- BLM will validate and update records in a timely manner.

PERFORMANCE CATEGORY TWO:

ENVIRONMENTAL QUALITY

OBJECTIVE A: Manage BLM lands for current and future generations to provide healthy, sustainable, biologically diverse ecosystems which will contribute to people's needs for goods, services and other opportunities for a high quality of life.

Goals:

- BLM will meet air quality standards.
- BLM will meet water quantity and quality standards.
- BLM will maintain or enhance soil stability and productivity.
- BLM will improve biological diversity (plants and animals).
- BLM will maintain or enhance the healthy functioning or sustainability of natural systems.
- BLM will manage natural systems to provide goods, services or other opportunities for a high quality of life.

PERFORMANCE CATEGORY THREE:

ECONOMIC BENEFITS

OBJECTIVE A. Provide services and products having economic value from the public lands in a manner that meets the needs of people and is consistent with the sustainability of natural ecosystems.

Goals:

- BLM will promote economic diversity in local communities and regions.
- BLM actions will seek to provide stability (e.g. predictable supply) of goods and services to local communities and regions.
- When taking actions BLM will consider the economic value of all resources and when appropriate provide for economic balance.
- BLM will consider the full range of economic (and other) values of isolated tracts when proposing disposal actions.
- BLM will promote the closure of land from economic development to improve long term productivity and reopen lands once improvements have been made.
- BLM will develop and provide lands through sale or exchange to external customers for appropriate economic development.
- BLM will develop opportunities to provide people jobs, increase local revenues, support local and regional industries, decrease dependency on welfare and other tax-dependent services, and to move families above the poverty line.

PERFORMANCE CATEGORY FOUR:

SOCIAL AND CULTURAL BENEFITS

OBJECTIVE A. When managing the public lands, consider, and take actions where possible, which meet the social and cultural needs of individuals, groups, communities and regions.

Goals:

- BLM will take actions that promote social and cultural diversity in local communities and regions.
- BLM will enter into appropriate partnerships with socially and culturally diverse people and groups to enhance their interests.
- BLM will seek new ways to understand, reach out to communicate with, and provide goods and services to socially and culturally diverse people and groups.
- BLM will take appropriate actions to help heal rural/urban splits.
- BLM will take appropriate actions to assist resource-dependent communities survive and recover where such communities have experienced the severe loss of resource supplies.
- BLM will assist, where possible, severely disadvantaged people, such as the homeless, and mentally handicapped.
- BLM will assist, where possible, to resolve severe social problems involving race, ethnicity, or religion, and/or problems related to the inner cities.
- BLM will take actions that permit achieving a more socially and culturally diverse BLM workforce and create an environment that makes all people feel welcome and secure in the workforce.
- BLM will focus enforcement programs on working with socially and culturally diverse people and groups, and to meet their needs through two-way education, service and support.

PERFORMANCE CATEGORY FIVE:

SPECIAL RESOURCE PROTECTION AND MANAGEMENT

OBJECTIVE A. Provide protection and appropriate management for special resources and sites.

Goals:

- BLM will provide protection and appropriate management for sites of cultural, paleontological and religious significance.
- BLM will provide protection and appropriate management for plant and animal species of significance.
- BLM will provide protection and appropriate management for specially designated areas.

OBJECTIVE B. Provide protection and appropriate management for resources threatened with significant harm or threat.

Goals:

- BLM will provide appropriate areas protection from wildfire.
- BLM will provide appropriate areas and resources protection from severe attack from insects or disease.

- BLM will provide areas and resources protection from hazardous materials.
- BLM will provide areas and resources protection from noxious plants.
- BLM will protect areas and resources from criminal activities.

PERFORMANCE CATEGORY SIX:

EDUCATION

OBJECTIVE A. Provide BLM customers appropriate, high quality, educational and interpretative material.

Goals:

- BLM will enter partnerships with interest groups to provide educational and interpretive material.
- BLM will enter into partnerships between the scientific community, the public, and management to provide educational material and data about specific resource issues.
- BLM will provide high-quality interpretive material for specific sites or resources.
- BLM will provide, as appropriate, high-quality, accurate, educational material to be used in the formal educational systems, e.g. Grades K through 12.

V. IMPACTS OF CHANGES

The use of performance measures will help field managers, will make BLM more effective and efficient and will provide a strong link between the planning, budgeting, program implementation and evaluation processes.

Impacts on Field Operations:

A critical test of the performance measures concept is its usefulness to an Area Manager; the Area Manager on our team provided a simple example. He had a request from the bass fishing club in a local small town to enhance bass habitat and produce more bass by placing vegetation in the water. Under the current concept of the way things work, the following (Figure 5) would have occurred:

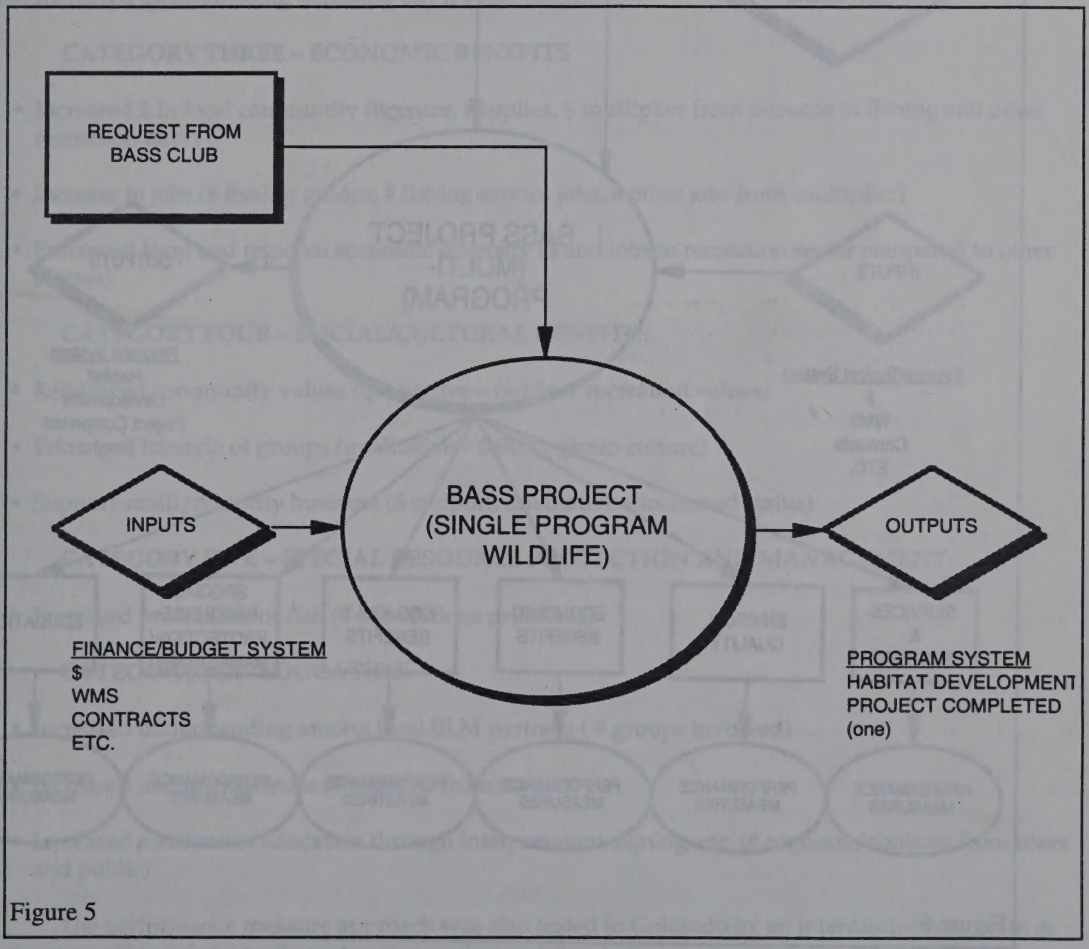


Figure 5

Using the performance measurement concept, the following (Figure 6) would have occurred:

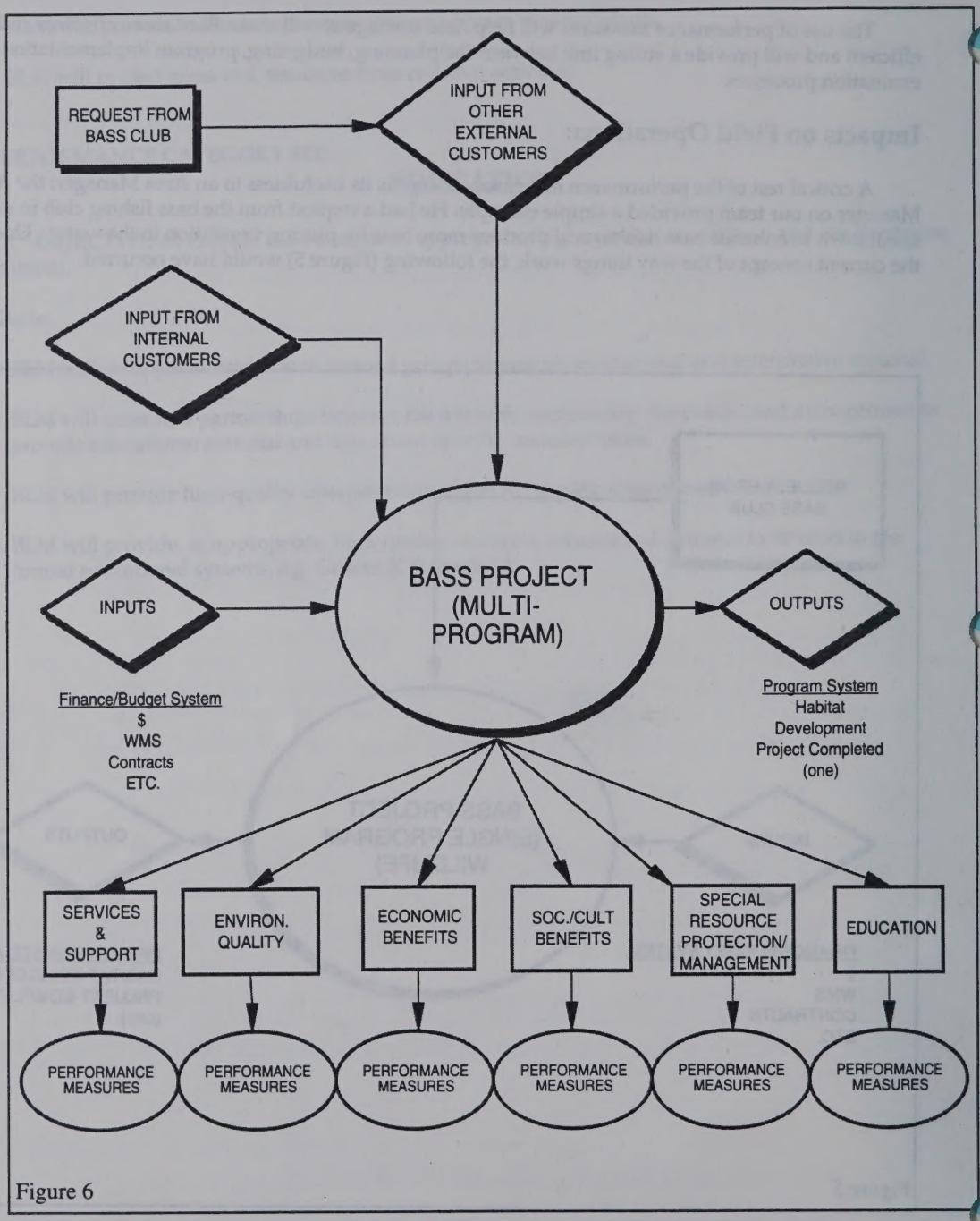


Figure 6

In this example, using the performance measurement categories, objectives, and goals, the team identified the following performance which was actually related to this project:

CATEGORY ONE – SERVICE AND SUPPORT

- Contracts completed on time (deadlines met)
- Payments made accurately and on time (support local business)
- Work completed on time (service/support to BLM management)

CATEGORY TWO – ENVIRONMENTAL QUALITY

- Biodiversity increased (# of species, larger populations)
- Achieved sustainable fish populations (annual production)
- Increased quality fishing (# fishing days, # fish caught)

CATEGORY THREE – ECONOMIC BENEFITS

- Increased $ in local community (licenses, supplies, $ multiplier from increase in fishing and other recreation days)
- Increase in jobs (# fishing guides, # fishing service jobs, # other jobs from multiplier)
- Enhanced local and regional economic diversity ($ and jobs in recreation sector compared to other sectors)

CATEGORY FOUR – SOCIAL/CULTURAL BENEFITS

- Reinforced community values (qualitative – outdoor recreation values)
- Enhanced lifestyle of groups (qualitative – fishing group culture)
- Support small/minority business ($ support, qualitative – increased status)

CATEGORY FIVE – SPECIAL RESOURCE PROTECTION AND MANAGEMENT

- Increased protection for fish (# populations protected)

CATEGORY SIX– EDUCATION

- Increased understanding among local BLM partners (# groups involved)
- Increased media awareness (# requests from media)
- Increased awareness/education through interpretation signing, etc. (# requests/contacts from users and public)

The performance measure approach was also tested in Colorado by an interdisciplinary team at the state office using a trail construction project and development of a coal lease. Material from this test is included in the Appendix of this report. The results were similar to the above, and demonstrated that program specialists as well as managers should find this approach useful and simple to use.

Effectiveness and Efficiency:

Several team members were aware of the requirements of the Chief Financial Officers Act (CFOA) for agencies to develop and report accomplishments using performance measures. The Bureau has developed a report for FY 1991 and is currently working on a report for 1992. These reports analyze both financial and program performance. The CFOA asks agencies to show how well previously defined objectives and goals have been met. Also, the CFOA recognizes that agencies should not just look at program outputs i.e. goods or services produced, but also consider outcomes, i.e. the impacts of programs on individuals and groups that benefit from the programs. The performance measure approach recommended in our report would be very helpful in meeting the requirements of the CFOA because, as seen in the above example, it goes beyond program outputs and attempts to measure performance measure outcomes. The CFOA also requires a review of how effective and efficient agencies are in the use of financial resources. Just using the program output approach, BLM's cost effectiveness can be described as follows:

$$CE = \frac{\text{Value of Outputs}}{\text{Cost of Producing Outputs}}$$

However, using the performance measure approach, the team recommends, cost effectiveness can be described as follows:

$$CE = \frac{\text{Value of Program Outputs} + \text{Value of Performance Measures}}{\text{Cost of Producing Outputs}}$$

Obviously, the latter approach gives BLM greater cost benefit ratios on its projects, uses the value-added concept and is consistent with the CFOA.

Integrated Resource Projects/Ecosystem Management:

The performance measure concept is consistent with the effectiveness of BLM moving toward integrated resource project planning on specific geographic areas as a tool for ecosystem management. Simply put, achieving program outputs and performance measures can be done more effectively and at less cost through a multi-program, interdisciplinary, integrated resource project approach. The synergistic effect of working this way creates a situation where the total benefits are much greater than the sum of individual programs carried out separately, at different times and different locations. The following depicts this concept:

$$\begin{array}{l}\text{Total value of integrated} \\ \text{resource projects over time}\end{array} > \begin{array}{l}\text{Value of sum of each} \\ \text{program project over time}\end{array}$$

Further, the concept of planning integrated resource projects on specific geographic areas gives the added benefit of working with all the components of local natural systems in a given time and place. That is, BLM can plan for the whole system in one place over time, not parts of systems in different places and at different times as is often currently the case. The following graphic (Figure 7) depicts how the performance measure approach ties together with the multi-program, integrated project, ecosystem management concept:

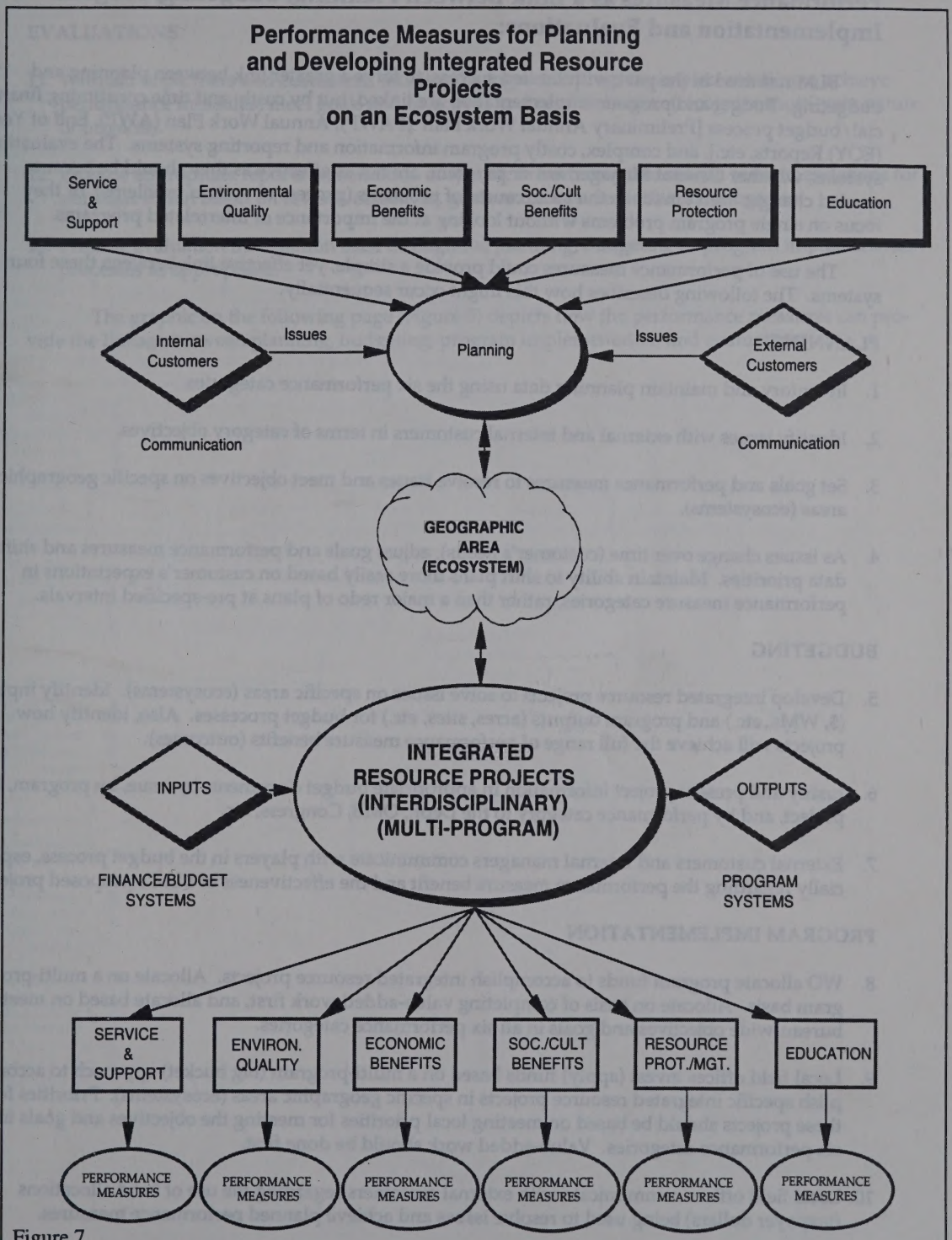

Performance Measures for Planning and Developing Integrated Resource Projects on an Ecosystem Basis
Service & Support
Environmental Quality
Economic Benefits
Soc./Cult Benefits
Resource Protection
Education
Internal Customers
Issues
Planning
Issues
External Customers
Communication
Communication
GEOGRAPHIC AREA (ECOSYSTEM)
INPUTS
INTEGRATED RESOURCE PROJECTS (INTERDISCIPLINARY) (MULTI-PROGRAM)
OUTPUTS
FINANCE/BUDGET SYSTEMS
PROGRAM SYSTEMS
SERVICE & SUPPORT
ENVIRON. QUALITY
ECONOMIC BENEFITS
SOC./CULT BENEFITS
RESOURCE PROT./MGT.
EDUCATION
PERFORMANCE MEASURES
PERFORMANCE MEASURES
PERFORMANCE MEASURES
PERFORMANCE MEASURES
PERFORMANCE MEASURES
PERFORMANCE MEASURES

Figure 7

Performance Measures as a Link Between Planning, Budgeting, Program Implementation and Evaluations:

BLM has tried in the past, with limited success, to forge a greater link between planning and budgeting. Budget and program implementation are linked, but by costly and time consuming financial/budget process [Preliminary Annual Work Plan (PAWP), Annual Work Plan (AWP), End of Year (EOY) Reports, etc.], and complex, costly program information and reporting systems. The evaluation systems, whether General Management or program, are not as effective as they should be because needed changes aren't made in the basic causes of problems (process or system problems), or they focus on single program problems without looking at the importance of interrelated programs.

The use of performance measures could provide a simple, yet effective link between these four systems. The following describes how this might occur sequentially.

PLANNING

1. Inventory and maintain planning data using the six performance categories.

2. Identify issues with external and internal customers in terms of category objectives.

3. Set goals and performance measures to resolve issues and meet objectives on specific geographic areas (ecosystems).

4. As issues change over time (customer's needs), adjust goals and performance measures and shift data priorities. Maintain ability to shift plans more easily based on customer's expectations in performance measure categories, rather than a major redo of plans at pre-specified intervals.

BUDGETING

5. Develop integrated resource projects to solve issues on specific areas (ecosystems). Identify inputs ($, WMs, etc.) and program outputs (acres, sites, etc.) for budget processes. Also, identify how projects will achieve the full range of performance measure benefits (outcomes).

6. Justify and present project information in appropriate budget documents by issue, by program, by project, and by performance category to the Dept., OMB, Congress, etc.

7. External customers and internal managers communicate with players in the budget process, especially regarding the performance measure benefit and the effectiveness of BLM's proposed projects.

PROGRAM IMPLEMENTATION

8. WO allocate program funds to accomplish integrated resource projects. Allocate on a multi-program basis. Allocate on basis of completing value-added work first, and allocate based on meeting bureau-wide objectives and goals in all six performance categories.

9. Local field offices invest (apply) funds based on a multi-program (big bucket) approach to accomplish specific integrated resource projects in specific geographic areas (ecosystems). Priorities for these projects should be based on meeting local priorities for meeting the objectives and goals in the six performance categories. Value-added work should be done first.

10. Local field offices communicate with external customers regarding the use of fund allocations (taxpayer dollars) being used to resolve issues and achieve planned performance measures.

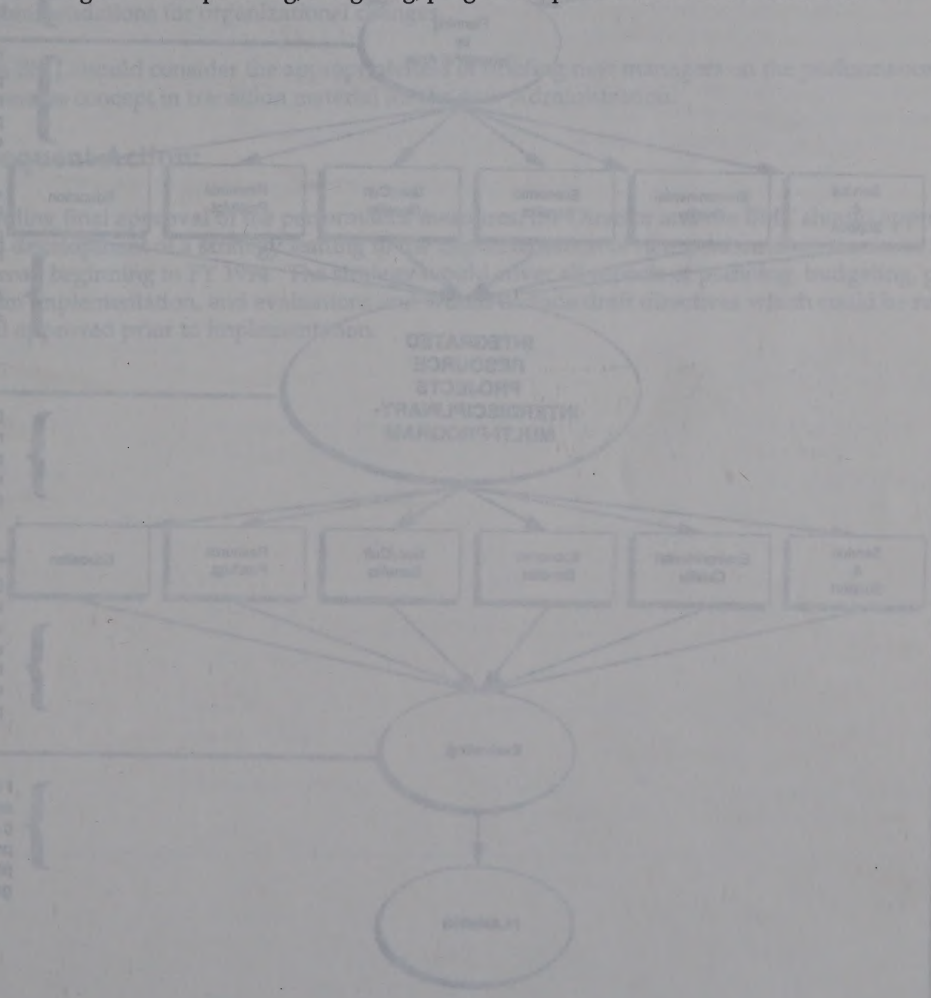
EVALUATIONS

11. With aid of partners and customers, monitor the impact of program implementation to achieve performance measures, meet goals and objectives and resolve issues. (recognize multi-year nature of projects).

12. Provide appropriate reports on condition of specific areas (ecosystems) with recommendations for remedial action based on revised objectives, goals and measures in the six categories.

13. Provide evaluation information back through the planning, budgeting or program implementation processes as appropriate.

The graphic on the following page (Figure 8) depicts how the performance measures can provide the linkage between planning, budgeting, program implementation and evaluation:



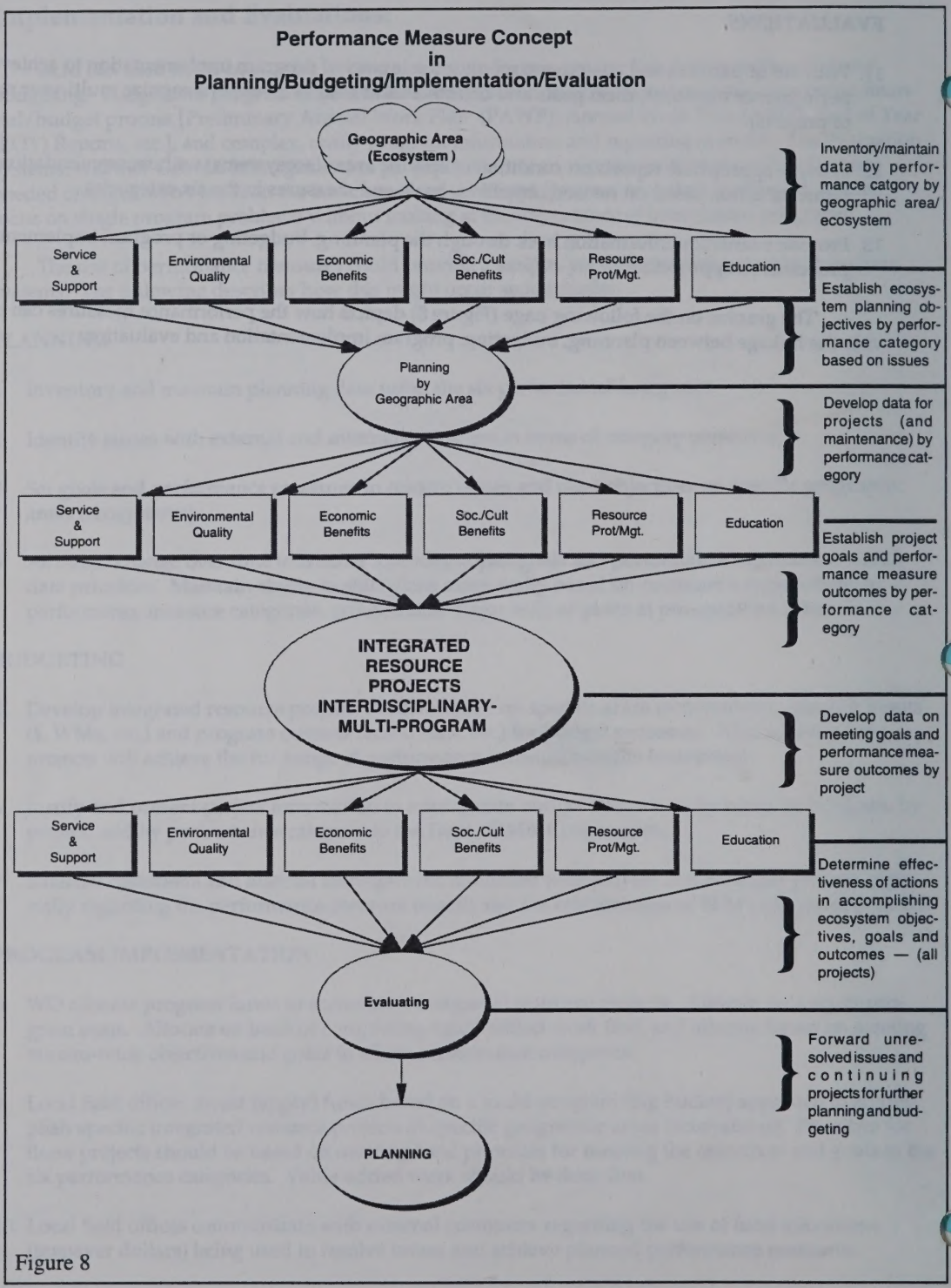

Performance Measure Concept
in
Planning/Budgeting/Implementation/Evaluation
Geographic Area
(Ecosystem)
Inventory/maintain data by performance catgory by geographic area/ ecosystem
Service & Support
Environmental Quality
Economic Benefits
Soc./Cult Benefits
Resource Prot/Mgt.
Education
Establish ecosystem planning objectives by performance category based on issues
Planning by Geographic Area
Develop data for projects (and maintenance) by performance category
Service & Support
Environmental Quality
Economic Benefits
Soc./Cult Benefits
Resource Prot/Mgt.
Education
Establish project goals and performance measure outcomes by performance category
INTEGRATED RESOURCE PROJECTS INTERDISCIPLINARY-MULTI-PROGRAM
Develop data on meeting goals and performance measure outcomes by project
Service & Support
Environmental Quality
Economic Benefits
Soc./Cult Benefits
Resource Prot/Mgt.
Education
Determine effectiveness of actions in accomplishing ecosystem objectives, goals and outcomes — (all projects)
Evaluating
Forward unresolved issues and continuing projects for further planning and budgeting
PLANNING

Figure 8

VI. RECOMMENDATIONS FOR FURTHER ACTION

Immediate Action:

1. The Bureau Management Team (BMT) in December 1992 should approve the recommendations made to simplify the existing program and finance/budget systems.

2. The BMT in December 1992 should endorse the concept of new performance measures for BLM.

3. The BMT in December 1992 should approve completion of the performance measure concept within three months. This should include a proposal to link the planning, budgeting, program implementation and evaluations systems using new performance measures. It should also include a proposal to use performance measures in connection with the CFOA. The effort should make appropriate recommendations for organizational changes.

4. The BMT should consider the appropriateness of briefing new managers on the performance measures concept in transition material for the new Administration.

Subsequent Action:

1. Pending final approval of the performance measures, the Director and the BMT should approve the full development of a strategy leading to the implementation of new performance measures for the Bureau beginning in FY 1994. The strategy would cover all aspects of planning, budgeting, program implementation, and evaluations and would include draft directives which could be reviewed and approved prior to implementation.

APPENDIX 1

COLORADO TEST

Gary McVicker, DSD Resources, Colorado, gathered together a group of employees with diverse backgrounds to test the Performance Measures Group Model. The following chronicles that test on Nov. 10, 1992.

The group first tried to implement the model by seeing if a project, Kokopelli's Trail, could meet all six goals. See Example One. We stopped after three goals. Trying to find outputs and inputs for all the goals led to problems of definition and duplication. This test led to a recommendation that only one goal should be the main reason for the project. The other goals became part of the multiple benefits for the project. These goals (benefits) are internal and external to BLM customers.

Examples 2 and 3 show how we implemented the process successfully. They have one driving goal but show other important multiple benefits and take place over time to allow tracking of the project over time. The performance measurement led to knowing when something is accomplished. However, in some cases, it takes more than one year to accomplish the goal and the output would not always have a measure. We found that using cost per unit of output lends itself to see how cost effective the project or subunits would be. Also by amortizing the benefits and costs over time lets management, the public and the Congress see overall how well we are doing. These are single project examples but we felt that could lend themselves to regional-type projects.

We have also included a summary page of recommendations that arose from our experience in trying to apply this process.

EXAMPLE 1

Over Specification of Goals
RECREATION — KOKOPELLI'S TRAIL

Goal	Input	Output	Peformance Measures
Service and Support			
1st year			
1. Meets customer needs	Workmonths (EA, volunteer agreements, etc.)	Miles of trail	$'s per mile # of visitors using trail
2 Record Mgmt.			
2nd year			
1. Meets customers needs	Workmonths (add toilets and rerouted trail) Survey	# of facilities miles of trail data	$'s per visitor # of visitor increase customer satisfaction feedback
3rd year			
Education			
1. Support k-12	Design curricula Design program	Implementation	# of students/trips
2. Provide interpretative sites	Workmonths	# of sites constructed	# of positive feedback comments
3. Partnerships	How much staff time it took to build partnerships	Partnerships developed	# of partners that assisted in teaching K-12, etc.
4. Interchange			
Environmental Quality			
Ecological sustainability	Year 1 Monitoring (Establish baseline of existing conditions)	Data	Year 5 none
	Year 5 Analyze Data	Recommendations	None
	Recommendations	Implement Recommendations	Improved quality of ecosystem

EXAMPLE 2

RECREATION — KOKOPELLI'S TRAIL

Goal	Inputs	Outputs	Performance Measures

Economic
 	
Local/Regional
	Workmonths	Miles of trail
		Trailheads
		Interpretive sites
		Toilets
		Customer surveys
		etc.
			Year 1
			Trail users/workmonths
			$ per mile to build
			
			Year 2
			Trail users/workmonths
			$ per mile to maintain
			
			Year 3
			Trail users/workmonths
			$ per mile to maintain

	Workmonths (Compare workmonths to all measures under amortize at year 3)		Amortize at Year 3 # Jobs Local Earnings Regional Sales tax revenues Participation nationally and internationally Total value of activity — willingness to pay times number of participants # of student/trips for environmental education program
Environmental Quality	Year 2 Establish LAC (Limits of acceptable change)	Year 5 Implement controls	Measure changes (year 5 and on)

EXAMPLE 3

COAL

Goal	Input	Output	Performance Measurers
Economic Local/Regional National	Workmonths	Lease Coal	Year 1 Bonus plus royalty/ workmonths Year 2
	Monitoring workmonths Monitoring all measures after coal is mined to monitoring workmonths)	Coal	After coal is mined # jobs Earnings Royalties to government (State and Federal) Bonus
Environmental Quality	Workmonths	Acres reclaimed to environmental standards	Measure of indicator species (animal and plant)

RECOMMENDATIONS FOR PERFORMANCE MEASURES GROUP (PMG)
FROM COLORADO TESTING GROUP

1. Identify TOP reason why project is going forward.

2. Aggregate goals.

3. Input will probably always be dollars or workmonths

4. Most projects will be multi-year in nature.

5. Tendency to identify and end performance categories.

7. There may not be a performance measure for each year.

8. Givens: performance category, goals, output (decided at Bureau level).

9. Projects should be evaluated by aggregating benefits and amortizing their values.

10. We need very tight definitions for performance and goals, etc.

APPENDIX 2

SAMPLE OF DATA COLLECTION FORM

PROJECT TITLE _____

WHY	WHAT		RESULTS
Performance Categories:	Input Type/Measure	Outputs Type/Measure	Performance Measures (for each goal)
Goals			(Include qualitative and quantitative)

Non-Value Added Costs: _____

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